This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 03 AMMAN 003429

SIPDIS

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TAGS: ECPS EAID PGOV JO
SUBJECT: A KALEIDOSCOPE OF ARAB ICT ISSUES: EB/CIP DAS
GROSS VISITS TWO REGIONAL ICT CONFERENCES

Classified By: Charge d'Affaires David Hale, for reasons 1.5 (b) and (d
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¶1. SUMMARY: Earlier this year, Amb. David Gross, U.S.
Coordinator for Communications and Information Policy,
attended and gave keynote addresses at annual conferences of
the Arab Telecommunications Regulatory Network (ATRN) and the
Arab Regional IT Association (ARAITA). On the margins of
these conferences, Gross held bilateral discussions with
government officials from Jordan and conference delegates
from Morocco, Saudi Arabia, Iraq, Kuwait, Palestinian
Authority, and Syria, and met with stakeholders directly
involved in Iraqi telecommunications training. The following
cable is submitted for the record. END SUMMARY.

Arab Telecommunications Regulators Network

¶2. The 2nd General Assembly of the Arab Telecommunications
Regulators, Network (ATRN) was held on March 21- 22, 2004 at
the Dead Sea, Jordan. The ATRN was launched in Amman in 2003,
with the goal of strengthening and harmonizing
telecommunications policy across the region. In his speech
to 19 member countries of the ATRN, Ambassador Gross stressed
the importance of regional coordination and of adopting
technology-neutral policies during the major changes taking
place in the region's telecommunications regulatory areas.
The meeting was followed immediately by a professional
development workshop, designed to highlight key issues and
share experiences between the Network,s members and
international regulators. USG delegates from the FCC, NTIA
and USAID discussed interconnection, spectrum management and
universal service.

ARAITA

¶3. Ambassador Gross addressed the Arab Regional Alliance of
Information Technology Associations (ARAITA) and stressed the
importance of creating a public-private sector partnership to
ensure region-wide market friendly policies. During their
two day strategic planning session, the Jordanian, Lebanese,
Palestinian, Egyptian, and Moroccan IT Associations signed a
Memorandum of Understanding affirming the associations,
commitment to collaborate on building the regional
association. Each association volunteered to take the lead
on specific actions that will assist ARAITA in identifying
regional barriers that inhibit the growth of the IT industry
in the Middle East.

Iraq Telecommunications Training

¶4. Amb. Gross chaired a meeting between the Director of the
ITU Telecommunications Development Bureau, Hamadoun Toure, a
representative from the CPA telecom team, and members of
Iraqi Ministries of Post and Telecom (MOPT) and the Iraq
Telecommunications Post Company (ITPC). The Iraqi delegates
expressed their desire to receive training in new
technologies to which they previously did not have exposure.
The CPA noted that Bearing Point consultants had recently
begun to construct a training program for Iraqi
telecommunications officials and that there might be a role
for the ITU. Gross suggested that the CPA might see if the
Bearing Point consultants might be able to work with the ITU
to avoid a duplication of effort and to coordinate a visit of
ITU delegates to Baghdad to gauge the current capacity of the
Iraqi MOPT, the future commissioners of the
telecommunications regulator, and the ITPC. Gross noted that
EB/CIP will continue to work with an interagency group to see
how best to facilitate training for the MOPT and ITPC.

Palestinian Authority

¶5. As a follow-up to the Palestinian Ministry of
Communications, EB/CIP-administered Telecommunications
Leadership Program (TLP) training sessions, the Secretary
General of the Ministry reported to Amb. Gross that his
Minister would like to open a dialogue with Israeli officials
regarding spectrum management. The Palestinian delegates

felt that gaining control of their spectrum was key to the creation of an independent telecommunications regulator. They also noted that in a recent Palestinian-American Economic Dialogue, the Palestinian Ministry of National Economy had made IT the centerpiece of its discussions. Gross emphasized the importance of economic development as part of the President's roadmap and reaffirmed his support for creation of a dialogue on information society issues.

Saudi Arabia

¶6. Amb. Gross met with the Deputy Governor for Legal Affairs and the Deputy Governor for Organization Policy and Licensing of the Saudi Communication and Communications and Information Technology Commission (CITC) to discuss Saudi Arabia,s upcoming mobile license tender. In response to the CITC comments that no U.S. companies had bid on the recent tender, Gross noted that the requirement of GSM technology had hindered US companies from creating a consortium to bid on the license. The CITC also encouraged U.S. private sector to visit Saudi Arabia to encourage investment. EB/CIP has followed up since this meeting and is working with Embassy Riyadh to extend an invitation to the General Manager of the CITC to attend licensing training at USTTI.

Morocco

¶7. Amb. Gross met with the new Moroccan Telecommunications Director General, who is restructuring the telecommunication policy and regulatory framework of Morocco to increase the attractiveness of the telecommunications sector for private investment, especially from foreign sources. The Director General explained to Gross that he hoped to use the possible issuance of an upcoming cellular license as the first major U.S. investment under the recently concluded U.S.-Moroccan FTA. Gross noted the importance of fashioning flexible regulations allowing for the possible use of new technologies, such as wireless local loop, WiFi and VOIP.

Kuwait

¶8. In a meeting with four senior Kuwaiti Ministry of Telecommunications officials, Amb. Gross addressed AT&T,s concern that Kuwait was planning to terminate the international circuits that connect Camp Doha to the United States. Mustafa Hashem, Director of International Relations for the Kuwaiti Ministry of Telecommunications, stated that he did not know about this problem and requested that further information be sent to him and to Deputy Telecommunications Minister Khajah. Hashem assured Gross that no circuits would be terminated and that he would work to have the issue resolved. Gross emphasized that the U.S. government's position was that both sides should talk and resolve the issue in such a way that service could continue for the troops. In addition, the Kuwaiti officials requested U.S. technical assistance in furthering Kuwait's telecommunications reforms.

Jordan

¶9. (SBU) In a meeting with Jordan Telecommunications Regulatory Commission (TRC) CEO Muna Nijem, Amb. Gross expressed his concern that the TRC was acting too intrusively in its licensing evaluations. Nijem also discussed her recent struggles with Parliament in maintaining the independence of the TRC.   (In response to this concern, Gross later met with members of the Public Services Committee of the Jordanian Parliament to discuss the importance of an independent telecommunications regulator.)

¶10. (C) During a separate meeting, Jordanian Minister of Information and Communications Technology Dr. Fawaz Al-Zou'bi noted that although the Jordanian liberalization process still does not enjoy popular support, he and the King were committed to continuing to support the TRC. Zou'bi touched on his vision for Jordan's IT industry, saying that once IPR problems had been resolved, IT in Jordan has the potential to become a $1 billion industry. Gross noted that a strong, independent telecommunications regulator is a key enticement for IT-sector investment. Finally, Zou'bi requested Gross's support in convincing the Iraq government to request a connection to the Haifa submarine cable. He stated that such a connection would reduce the costs of bandwidth both to Iraq and Jordan. Zou'bi stated that connecting Jordan to the Haifa port would not be politically feasible unless the request came from Baghdad.

¶11. Jordanian Minister of Education Dr. Khalid Toukan briefed
Amb. Gross on the critical role of USAID support in funding
the Jordan Education Initiative (JEI), the Jordanian
government,s program to computerize and connect Jordan,s
school and university systems. According to Toukan, the JEI
has had substantial, positive knock-on effects for Jordan,
spurring both the development of a strong e-learning software
production industry in Jordan and the changeover of Jordan,s
primary school curriculum from lessons relying on rote
memorization to a program focusing on creative thinking.

¶12. In a subsequent meeting, Jordanian Minister of Planning
Dr. Bassem Awadallah echoed Toukan,s praise of the U.S. role
in the JEI and noted that the straitened circumstances of the
Jordanian budget dictated that programs like the JEI,
requiring substantial up-front capital expenditure, rely on
specifically earmarked foreign grants for their funding.
Awadallah praised the roles of private U.S. corporations in
&putting their money where their mouth is8 by supporting
the JEI.

Comment

¶13. (SBU) The variety of issues addressed by Amb. Gross
during his three-day stay in Jordan give some indication of
the pace of the liberalization of ICT sectors in the Arab
World and the scope of the challenges that the sector faces
here. The tenor of the meetings also gave some indication of
the integral role that U.S. assistance and advocacy in these
sectors are playing in the promotion of broader U.S.
interests in the region. At a time when Arab discontent with
U.S. policies is high, Gross, meetings were relatively free
of political posturing) all parties tended to focus on
achievable, relationship-building cooperative measures.
HALE